alert to act against all smuggling activities including smuggling of arms, ammunition and explosives. Close coordination is being maintained amongst all Central and State Government agencies concerned with prevention and detection of smuggling activities.

**Waiving of Import Duty on Wool**

1433. SHRI SANTOSH KUMAR SAHU:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that despite wool being imported, export of varieties of woollen material has gone up considerably;

(b) whether the wool production has remained more or less static in the country and in order to export more the industry requires more imported wool and the wool material manufacturers are demanding waiving of import duty on wool; and

(c) what steps Government have taken or propose to take and details of demand, if any, received from wool industries for abolition of import duty on wool?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) Yes, Sir.

(b) It is true that for increasing exports, the industry needs more imported wool and certain Associations have requested for reduction of import duty on wool.

(c) In view of the ensuing Budget for the year 1994-95, it is not possible to offer any comments at this stage.

**Duty-Free Import of Capital Goods**

1434. SHRI P. UPENDRA: Will the Minister of FINANCE be pleased to state:

(a) whether Government have decided to allow duty free import of capital under the Export Promotion Capital Goods scheme;

(b) whether the Indian machine tools manufacturers have protected against this decision; and

(c) if so, what is the reaction of Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) No, Sir.

(b) and (c) No, Sir, in view of reply to part (a) above.

**Foreign Exchange Reserves**

1435. SHRI KAMAL MORARKA: Will the Minister of FINANCE be pleased to state:

(a) what was the amount of foreign exchange (US) purchased by RBI;

(b) what is the present state of foreign exchange reserves; and

(c) what was the net outflow of foreign exchange during the current financial year and what was the net inflow?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY (DR. ABRAR AHMED): (a) The net purchases of foreign exchange by the RBI during the current financial year till end November, 1993 have been US $ 4781 million.

(b) The present state of foreign exchange reserves (excluding Gold and SDRs) is comfortable at $ 8.2 billion at the end November, 1993 showing an increase of about $ 1.8 billion over the level at March end 1993.

(c) The net inflow of foreign exchange during the current financial year till end November, 1993 has been of the order of $ 1.8 billion.